

What's Next After Awarding a Contract?

The Government/Industry New Program Startup Workshop

Jesse Stewart ■ Norman S. Bull

C-5M Super Galaxy

U.S. Air Force photo/Senior Airman
Jonathan Snyder



Apache Pilots Station (JTRS)

Photo courtesy The Boeing Company



The contract has finally been awarded. Now what? Industry and Department of Defense program managers are committed to achieving success in the program they manage. They both have the responsibility and the authority to execute managerial and technical actions that could lead to success. If they are smart, they know that one of their upfront managerial tools should be a joint DoD/industry New Program Startup Workshop (NPSW), and it should be on the near-term agendas of both government and industry PMs. That's because a properly planned and executed workshop is a positive element for use in the early stages of any program phase. Improving DoD/industry joint integrated product team (IPT) product alignment is key to a successful program, and that's what the workshop offers.

Stewart, a retired Navy captain, is a professor of program management at DAU. **Bull**, a retired Navy captain, is an independent weapons system program management education consultant for DAU.



"Every ACAT program that hopes to be successful should hold a program startup workshop," said Navy Capt. Bob Dishman, program manager for the Navy Broad Area Maritime Surveillance, Unmanned Aircraft Systems, who participated in a workshop Sept. 3 through 5, 2008.

Goals, Benefits, and Objectives

An NPSW sets the foundation for a well-executed program. The goal of the NPSW is to overcome the struggle and some of the failures experienced by many programs, particularly at startup. Specifically, the NPSW is intended to:

- Create an environment of teamwork, collaboration, communication, and trust

- Be held soon (four to six weeks) after contract award
- Be conducted jointly with government/contractor teams
- Be a high-energy concentrated effort over two and a half to four days
- Align government and contractor startup activities
- Focus on improved program execution.

Benefits programs have received:

- The joint establishment of common DoD/industry vision and plan for success
- The joint building of a mutually supportive environment

- The joint foundation of a mutually understood and agreed-upon performance measurement baseline, including program risk.

The benefits will become reality if the PMs and their teams set the goal of facilitating a partnering experience—which includes key industry and government stakeholders—and set the goal of building an environment of collaboration, teamwork, trust, and communication; and educate their teams on effective program startup actions and facilitate them through key steps in the program startup process.

Both industry and government spoke of the NPSW benefits. Glenn Kurowski of Lockheed Martin, and Army Col. Ray Jones and Navy Capt. Jeff Dunlap of the Joint Tactical Radio System program stated jointly, “Getting the team together early with focused tasks resulted in opening and reopening lines of communications and exposing blind spots early.” They also noted that “partnership and collaboration is not a one-time event.” The Joint Tactical Radio System program participated in the NPSW May 12 to 15, 2008.

Where Are We Going with Workshops?

The workshops started several years ago through a joint effort between industry and DAU. You may wish to review an earlier article published in the January–February 2007 *Defense AT&L*, “Program Startup Workshop,” which links the workshop efforts to the Marine Corps’ CH-53K heavy-lift helicopter (a derivative design of the CH-53E Super Stallion).

Recently, Dave Ahern, the director for portfolio systems acquisition in the Office of the Deputy Under Secretary of Defense for Acquisition and Technology, in conjunction with the National Defense Industrial Association’s Industrial Committee on Program Management, has received briefings on specific NPSWs. Prior to the workshop, both government and industry PMs said they thought it would be a waste of their time. Following the workshop, they said the workshop was extraordinarily valuable! Why the negative attitude going in and the positive attitude coming out?

“The negative perception derives from effort involved in setting up the workshop versus getting on with the real work of setting up the program. The positive attitude coming out of the workshop is attributed to open communications as initial personal relationships and expectations are established that improve government/contractor team alignment,” said Ahern.

Due to the industry consensus reached in the National Defense Industrial Association’s Industrial Committee on Program Management’s meetings, NPSW now includes additional activities applicable to milestones A, B, and C post-awards, as well as special events. That has led to the hosting of NPSWs for DoD programs such as:

- Joint Tactical Radio System, Airborne and Maritime/Fixed Station
- C-5 Reliability Enhancement and Reengineering Program
- Broad Area Maritime Surveillance
- Joint Air to Ground Missile
- Joint Precision Approach and Landing System
- Joint Land Tactical Vehicle (early coordination only).

The C-5 Reliability Enhancement and Reengineering Program workshop was the first workshop that wasn’t focused on a milestone B transition. In a presentation at a National Defense Industrial Association meeting, the industry and government PMs identified some key benefits of conducting the workshop after a Nunn-McCurdy breach, such as the examination of the cultural shift to fixed price environment and a shared awareness of what is important. Participants stated the workshop “provided a vehicle to put future issues on the table early, resulting in more time for them to be resolved.”

Numerous program orientation and presentation activities are conducted during the workshop, which can last two and a half to four days. Challenges effecting workshop structure include program complexity, technology maturity, and government/contractor cultural differences. However, the creation and alignment of the DoD/industry joint IPTs are the most fundamental and powerful action to flow from any workshop and should apply across most, if not all, programs.

Although not a system that has employed the NPSW process, the Navy E-2D Advanced Hawkeye airborne early warning aircraft program is an excellent example of the application of joint IPTs. Using proven IPT earned value and communication processes with Northrop Grumman, the Hawkeye PMs oversaw significant enhancements in program transparency, near-real-time status reporting, and the facilitation of well-understood risk-/opportunity-oriented joint PM decisions. The benefits flow from the joint IPT work on the integrated baseline review and attention to earned value management. Timeliness is essential; thus, the PMs receive comprehensive weekly contractor/staff briefings using noncertified but maturing EVM data as well as other metrics. Their process is used as a workshop example.

Getting the Workshop Off the Ground

Prior to any decision to conduct an NPSW, the respective industry and DoD PMs need to meet/communicate and decide if there will be a workshop and, if so, what is to be accomplished in the workshop. This meeting or conference call should occur no later than one week after contract award or the start of a new phase or major new event. If the decision is to conduct an NPSW, a DAU facilitator should be contacted immediately to firm up the outputs mentioned in the following paragraph. Provision for an NPSW is recommended for inclusion in the request for proposal and should be focused on preworkshop coordination and/or training. Desired out-

"The negative perception derives from the effort involved in setting up the workshop versus getting on with the real work of setting up the program. The positive attitude coming out of the workshop is attributed to open communications as initial personal relationships and expectations are established that improve government/contractor team alignment."

Dave Ahern, director for portfolio systems acquisition, Office of the Deputy Under Secretary of Defense for Acquisition and Technology

puts from the contacts, meeting, and/or conference call(s) in which the facilitator is included should address:

- Outputs supporting the PM's needs—defined workshop success factors, defined constraints of the workshop, an understanding that the workshop can offer the opportunity to gain mutual perceptions and expectations of each other and staff members.
- Outputs supporting PMs and the facilitator—agreements on convening a preworkshop agenda-setting meeting (defined/agreed upon meeting output, who will attend, the scheduling of such a meeting in terms of where, when, and how long). (Note: The preworkshop agenda-setting meeting should occur within two weeks after contract award.)
- Outputs supporting the facilitator's workshop needs—the full support and agreement of the PMs that DAU will facilitate the NPSW, affirmation that the PMs really want the help the workshop is designed to provide, and a preworkshop go/no-go decision by the PMs.

One often-asked question is why have an outside facilitator or corporate advisor? The answer is that an experienced professional who has seen many avoidable prior startup issues plus early program successes can be a worthy advisor. But whether it's corporate or government members, they

are major stakeholders with a need to know, and some have previously been down the startup road themselves.

Representative Workshop Content

The PMs will tailor their workshops during the preworkshop agenda-setting meeting. A workshop can include, but is not limited to, workshop orientation, integrated baseline review, contract management, key practices, IPTs, communications, risk management, and metrics. Presentations can be made by both the industry and DoD PMs, the DAU facilitator, the government contracting officer, and others as specified by the PMs.

Workshop Methodology

The methodology for conducting the NPSW is grounded in several activities that call for the government and contractor teams to work through a process of alignment. The initial focus of the workshop is to emphasize planning for the integrated baseline review and IPT alignment. While the integrated baseline review planning is relatively straightforward, aligning the IPTs requires the government and contractor teams to quickly move to the operational phase of the contract's pending activities in order to model their key post-award management processes.

Other core workshop activities include contractor and government presentations on their processes and near-term activities, contract baseline and incentives, change management, program metrics, risk and opportunity management, and integrated master plan; and scheduling of top-level reviews. The briefings and discussions serve as a basis for in-depth discussions during the IPT module. The IPT portion of the workshop is planned as the last workshop activity requiring team interaction; and it should last a minimum of four hours, averaging six to eight hours. Desired inputs to the workshop are the draft joint IPT charters facilitating alignment of the government team organization with the contractor's team for management purposes. That includes assigning teams the appropriate work-breakdown structure items for them to manage, creating a joint-risk register with appropriately identified owners, and developing an integrated master schedule further integrated with the earned value management system. Completion of those actions indicates the availability of a mature set of processes from which the program managers can oversee the work done using both the contractor's management processes and the earned value management system.

While all of those processes will not necessarily be in place at the time of the workshop, achieving such processes must be a clear goal of each IPT. That allows the IPTs during the workshop to identify their responsibilities, authority, and interdependencies; and to express an understanding of allocated work. Goals also include establishing co-IPT lead roles and responsibilities, noting risks/opportunities, reviewing integrated master schedule linkage to the EVM system, structuring communications plans, and addressing deliv-

erables. Discussing these items in the milestone or event-orientated workshop and early in the contract establishes a management system, running from the PM through the IPTs, and allows for the effective management of the program.

If the program office (either government or contractor) has not carefully thought out its management post-award processes affecting contract execution, completing the IPT module may be a challenge!

The Communications Plan—An Essential!

The communications plan is very important and can start with individual notes on possible communication issues. Certain assumptions are necessary:

- Are IPT structures available?
- Are IPT charters available?
- Are both formal and informal communication channels operating simultaneously?
- Is the facilitator communication planning checklist available and being executed?
- Is the contractor/program office team data/workflow compatibility established?

Module objectives:

- Develop team communication plans
- Agree on a method to orient new team members to the program
- Identify management techniques and a resolution model for team conflict
- Preliminary collaborative workflow processes identified.

Inputs/prerequisites:

- Determine *what* information needs to be communicated before identifying *how* this information will be exchanged (design the process to fit the requirement)
- Facilitator and PMs actions
- Contractor internal/external early warning system
- Government inputs
- Mechanisms for establishing facts, drawing conclusions, and making logical recommendations relative to appropriate and timely corrective actions
- Draft IPT charters and assignments.

When Should I Sign Up?

Ideally, provisions for an NPSW should be included in pre-request for proposal contractor briefings, be considered in the request for proposal, included in post-request for proposal management planning, and kept in mind during communications initiated between the PMs right after the contract award.

If you are interested in conducting a workshop, please contact Jesse Stewart at jesse.stewart@dau.mil or 703-805-4614.

The authors welcome comments and questions and can be contacted at jesse.stewart@dau.mil and norm.bull@dau.mil.

Focusing Sustainment Logistics continued from page 53

Total Life Cycle Systems Management policy. From a RAM and logistician community perspective, TLCSM means that all major decisions are made with a clear view towards their effect on total system life cycle effectiveness and affordability. TLCSM should naturally generate the need for increased degrees and amounts of supportability analyses, but must overcome the view that TLCSM entails high programmatic “risk” by not focusing on the nearest milestone events. To prevail, TLCSM must span numerous program management tenures with equitable (in terms of all other specified technical performance criteria) priority and resources focus on RAM performance development and growth.

As is the case with JCIDS requirements-generation staffs, RAM and ownership cost mitigation will not be stronger priorities until conveyed as such by program sponsors, as they direct the course of AoAs and transcribe technically better-substantiated RAM criteria into subsequent program baseline documents, acquisition strategies, and solicitations. The message, conveyed by a stronger analytical basis for a system’s RAM specifications, is that more analytic rigor must be applied whenever seeking to trade deployed supportability effectiveness and affordability; and further, that fielded systems are expected to be persistently and affordably sustained to more quantitative degrees.

Broadening the Scope and Utility of Supportability Analysis

Setting RAM performance ranges and projecting ownership cost for individual programs under development is the central use of sustainment analysis, fed back into the early phases of acquisition. But it can also provide a crosscutting view of whether maximum sustainment performance and ownership cost projections for any individual systems alternative may not also affect a broader spectrum of defense systems, to be logically supported within the broader sustainment infrastructure—in other words, there is room for a more cumulative range of supportability analyses to give decision makers a new set of cost-related decision criteria and open for discussion an individual program’s impact on the enterprise-wide sustainment infrastructure.

Logistics advocates and O&S fund sponsors can better ensure that decisions to acquire any particular defense system performance capability are based on the continued assurance that the overarching enterprise logistics and sustainment infrastructure remains optimally affordable. The expanded and more cross-cutting analysis should help answer the question of whether the sustainment costs associated with performance capabilities to be provided by a new defense system exceed reasonable expectation of out-year funds availability, given that funds must be sufficient to operationally sustain each of those new performance capabilities to at least their minimal JCIDS-specified threshold levels of operational performance, availability, and affordability.

Logistics advocates should prepare to challenge, if needed, the operative principle that whatever is the best life cycle logistics and sustainment strategy for any individual program is also best from the perspective of enterprise-wide logistics and sustainment cost.

It should be to the interest of sustainment logisticians that decision makers have a broader picture of how an individual program may affect enterprise-wide sustainment infrastructure and total O&S affordability. Such questions are not raised in an insular program review and decision process. But just such an expanded focus on the lessons of deployed system supportability and O&S cost data, compiled and drawn into increasingly earlier acquisition phases (e.g., the AoA), will spur a broader range of enterprise affordability questions before major courses of action for individual systems initiatives are locked into place.

Life Cycle Logisticians off the Sidelines

I've suggested that supportability analysis of deployed system sustainment performance and cost can bridge a sustainment phase back to the requirements-generation gap to serve as a strong business case backing for logisticians who help set JCIDS performance parameters, drive AoA terms, and sponsor sustainment resources. Where there are no such supportability analyses to substantiate these earliest activities and decisions, there are also few or no life cycle logisticians at work.

But it is here that logisticians need to become far more involved and persuasive, since these actions are the most consequential to eventual sustainment life cycle effectiveness and affordability. New DoD policy for supportability-related KPP/KSAs is not matched by direct logistician involvement in shaping those parameters, which has led to perfunctory decisions in setting RAM criteria ranges of threshold and objective performance target values. Those unrefined supportability parameter design and development threshold and objective values receive little AoA scrutiny under pres-

ent conditions, so a string of presumptions is begun and perpetuated. RAM performance criteria and outcome metrics should instead build upon a progressive improvement to fielded systems' reported sustainment and O&S cost. And as I have suggested, analysis-based recommendations should always both demonstrate maximum sustainability of individual defense system alternatives under consideration and underpin recommendations that serve the long-term effectiveness and affordability of the entire enterprise logistics infrastructure. But again, there are no front-end logistics and O&S cost advocates to build such business case alternatives where there is not a solid base of fielded system sustainment performance and associated O&S cost analysis.

New Venues

Another reason why few logisticians contribute to major initial acquisition program decisions is that the program review and decision structure does not invite supportability or affordability questions, either for the individual initiative at hand or in terms of enterprise- or portfolio-wide impact.

That is changing under the Department of the Navy's new six-Gate program review and decision forum, where there is growing opportunity to raise such questions. The forums are a series of compressed (up to Milestone C) strategic pauses in the earliest acquisition phase activity of capabilities development and program acquisition. Without diminishing the speed of decision making, Gate reviews of acquisition programs offer greater collective visibility and participation among parties with systems life cycle responsibility across the naval enterprise. All Gate reviews include the topics of system sustainment and logistics adequacy as a matter of projecting program health and risk. With this new visibility, logistics and O&S cost advocates must come to Gate reviews prepared with business cases that propose exactly how performance capability parameters or acquisition strategies and solicitations should be structured. Gate review briefings of individual system life cycle sustainment should increasingly be balanced by a perspective of sustainment affordability for related and collective warfighting performance capabilities that the Navy will be sustaining over the same period of time. That is, logistics advocates should prepare to challenge, if needed, the operative principle that whatever is the best life cycle logistics and sustainment strategy for any individual program is also best from the perspective of enterprise-wide logistics and sustainment cost. This principle cannot be challenged within the program review and decision structure without supportability-based analysis that may point to programmatic alternatives.

Part II of this article will propose practical benchmarks and actions associated with each Gate review stage.

The author welcomes comments and questions and can be contacted at charles.borsch@navy.mil.